

UNITED STATES BANKRUPTCY COURT

SOUTHERN DISTRICT OF TEXAS

HOUSTON

In Re. Heavy Metal, Inc.

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§

Case No. 23-90776

Debtor(s)

Lead Case No. 23-90773

☒ Jointly Administered**Monthly Operating Report**

Chapter 11

Reporting Period Ended: 12/31/2024

Petition Date: 09/11/2023

Months Pending: 16

Industry Classification:

2	5	1	2
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Reporting Method:

Accrual Basis ☒Cash Basis ☐

Debtor's Full-Time Employees (current):

0

Debtor's Full-Time Employees (as of date of order for relief):

0

Supporting Documentation (check all that are attached):

(For jointly administered debtors, any required schedules must be provided on a non-consolidated basis for each debtor)

- ☒ Statement of cash receipts and disbursements
- ☒ Balance sheet containing the summary and detail of the assets, liabilities and equity (net worth) or deficit
- ☒ Statement of operations (profit or loss statement)
- ☐ Accounts receivable aging
- ☐ Postpetition liabilities aging
- ☐ Statement of capital assets
- ☐ Schedule of payments to professionals
- ☐ Schedule of payments to insiders
- ☐ All bank statements and bank reconciliations for the reporting period
- ☐ Description of the assets sold or transferred and the terms of the sale or transfer

/s/ Michael D. Warner

Signature of Responsible Party

01/20/2025

Date

Michael D. Warner

Printed Name of Responsible Party

Pachulski Stang Ziehl & Jones LLP, 700 Louisiana St.,
Ste. 4500, Houston, TX 77002

Address

STATEMENT: This Periodic Report is associated with an open bankruptcy case; therefore, Paperwork Reduction Act exemption 5 C.F.R. § 1320.4(a)(2) applies.

Debtor's Name Heavy Metal, Inc.

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Part 1: Cash Receipts and Disbursements		Current Month	Cumulative
a.	Cash balance beginning of month	\$0	
b.	Total receipts (net of transfers between accounts)	\$0	\$0
c.	Total disbursements (net of transfers between accounts)	\$0	\$3,105
d.	Cash balance end of month (a+b-c)	\$0	
e.	Disbursements made by third party for the benefit of the estate	\$0	\$0
f.	Total disbursements for quarterly fee calculation (c+e)	\$0	\$3,105

Part 2: Asset and Liability Status (Not generally applicable to Individual Debtors. See Instructions.)		Current Month
a.	Accounts receivable (total net of allowance)	\$0
b.	Accounts receivable over 90 days outstanding (net of allowance)	\$0
c.	Inventory (Book <input type="radio"/> Market <input type="radio"/> Other <input checked="" type="radio"/> (attach explanation))	\$0
d.	Total current assets	\$0
e.	Total assets	\$3,105
f.	Postpetition payables (excluding taxes)	\$0
g.	Postpetition payables past due (excluding taxes)	\$0
h.	Postpetition taxes payable	\$0
i.	Postpetition taxes past due	\$0
j.	Total postpetition debt (f+h)	\$0
k.	Prepetition secured debt	\$0
l.	Prepetition priority debt	\$0
m.	Prepetition unsecured debt	\$207,275
n.	Total liabilities (debt) (j+k+l+m)	\$207,275
o.	Ending equity/net worth (e-n)	\$-204,171

Part 3: Assets Sold or Transferred		Current Month	Cumulative
a.	Total cash sales price for assets sold/transferred outside the ordinary course of business	\$0	\$0
b.	Total payments to third parties incident to assets being sold/transferred outside the ordinary course of business	\$0	\$0
c.	Net cash proceeds from assets sold/transferred outside the ordinary course of business (a-b)	\$0	\$0

Part 4: Income Statement (Statement of Operations) (Not generally applicable to Individual Debtors. See Instructions.)		Current Month	Cumulative
a.	Gross income/sales (net of returns and allowances)	\$0	
b.	Cost of goods sold (inclusive of depreciation, if applicable)	\$0	
c.	Gross profit (a-b)	\$0	
d.	Selling expenses	\$0	
e.	General and administrative expenses	\$0	
f.	Other expenses	\$0	
g.	Depreciation and/or amortization (not included in 4b)	\$0	
h.	Interest	\$0	
i.	Taxes (local, state, and federal)	\$0	
j.	Reorganization items	\$0	
k.	Profit (loss)	\$0	\$-61,107

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Part 5: Professional Fees and Expenses

			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative	
a.	Debtor's professional fees & expenses (bankruptcy) <i>Aggregate Total</i>						
	<i>Itemized Breakdown by Firm</i>						
		Firm Name	Role				
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	iii						
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Debtor's Name Heavy Metal, Inc.

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Debtor's Name Heavy Metal, Inc.

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b.			Approved Current Month	Approved Cumulative	Paid Current Month	Paid Cumulative
	Debtor's professional fees & expenses (nonbankruptcy) <i>Aggregate Total</i>					
	<i>Itemized Breakdown by Firm</i>					
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Debtor's Name Heavy Metal, Inc.

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c.	All professional fees and expenses (debtor & committees)						

Part 6: Postpetition Taxes**Current Month****Cumulative**

a.	Postpetition income taxes accrued (local, state, and federal)	\$0	\$0
b.	Postpetition income taxes paid (local, state, and federal)	\$0	\$0
c.	Postpetition employer payroll taxes accrued	\$0	\$0
d.	Postpetition employer payroll taxes paid	\$0	\$0
e.	Postpetition property taxes paid	\$0	\$0
f.	Postpetition other taxes accrued (local, state, and federal)	\$0	\$0
g.	Postpetition other taxes paid (local, state, and federal)	\$0	\$0

Part 7: Questionnaire - During this reporting period:

- a. Were any payments made on prepetition debt? (if yes, see Instructions) Yes ☐ No ☒
- b. Were any payments made outside the ordinary course of business without court approval? (if yes, see Instructions) Yes ☐ No ☒
- c. Were any payments made to or on behalf of insiders? Yes ☐ No ☒
- d. Are you current on postpetition tax return filings? Yes ☒ No ☐
- e. Are you current on postpetition estimated tax payments? Yes ☒ No ☐
- f. Were all trust fund taxes remitted on a current basis? Yes ☒ No ☐
- g. Was there any postpetition borrowing, other than trade credit? (if yes, see Instructions) Yes ☐ No ☒
- h. Were all payments made to or on behalf of professionals approved by the court? Yes ☐ No ☐ N/A ☒
- i. Do you have:
- Worker's compensation insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)
- Casualty/property insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)
- General liability insurance? Yes ☐ No ☒
- If yes, are your premiums current? Yes ☐ No ☐ N/A ☒ (if no, see Instructions)
- j. Has a plan of reorganization been filed with the court? Yes ☐ No ☒
- k. Has a disclosure statement been filed with the court? Yes ☐ No ☒
- l. Are you current with quarterly U.S. Trustee fees as set forth under 28 U.S.C. § 1930? Yes ☒ No ☐

Debtor's Name Heavy Metal, Inc.

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Part 8: Individual Chapter 11 Debtors (Only)

- | | | |
|--|-------|-----|
| a. Gross income (receipts) from salary and wages | _____ | \$0 |
| b. Gross income (receipts) from self-employment | _____ | \$0 |
| c. Gross income from all other sources | _____ | \$0 |
| d. Total income in the reporting period (a+b+c) | _____ | \$0 |
| e. Payroll deductions | _____ | \$0 |
| f. Self-employment related expenses | _____ | \$0 |
| g. Living expenses | _____ | \$0 |
| h. All other expenses | _____ | \$0 |
| i. Total expenses in the reporting period (e+f+g+h) | _____ | \$0 |
| j. Difference between total income and total expenses (d-i) | _____ | \$0 |
| k. List the total amount of all postpetition debts that are past due | _____ | \$0 |
- l. Are you required to pay any Domestic Support Obligations as defined by 11 U.S.C § 101(14A)? Yes ☐ No ☒
- m. If yes, have you made all Domestic Support Obligation payments? Yes ☐ No ☐ N/A ☒

Privacy Act Statement

28 U.S.C. § 589b authorizes the collection of this information, and provision of this information is mandatory under 11 U.S.C. §§ 704, 1106, and 1107. The United States Trustee will use this information to calculate statutory fee assessments under 28 U.S.C. § 1930(a)(6). The United States Trustee will also use this information to evaluate a chapter 11 debtor's progress through the bankruptcy system, including the likelihood of a plan of reorganization being confirmed and whether the case is being prosecuted in good faith. This information may be disclosed to a bankruptcy trustee or examiner when the information is needed to perform the trustee's or examiner's duties or to the appropriate federal, state, local, regulatory, tribal, or foreign law enforcement agency when the information indicates a violation or potential violation of law. Other disclosures may be made for routine purposes. For a discussion of the types of routine disclosures that may be made, you may consult the Executive Office for United States Trustee's systems of records notice, UST-001, "Bankruptcy Case Files and Associated Records." See 71 Fed. Reg. 59,818 et seq. (Oct. 11, 2006). A copy of the notice may be obtained at the following link: http://www.justice.gov/ust/eo/rules_regulations/index.htm. Failure to provide this information could result in the dismissal or conversion of your bankruptcy case or other action by the United States Trustee. 11 U.S.C. § 1112(b)(4)(F).

I declare under penalty of perjury that the foregoing Monthly Operating Report and its supporting documentation are true and correct and that I have been authorized to sign this report on behalf of the estate.

/s/ John S. Llewellyn

Signature of Responsible Party

Interim CFO

Title

John S. Llewellyn

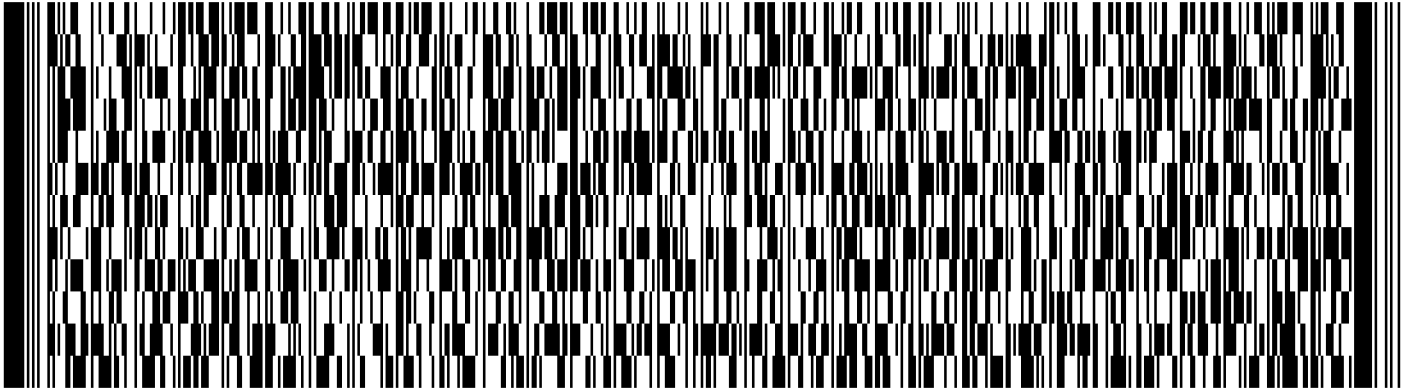
Printed Name of Responsible Party

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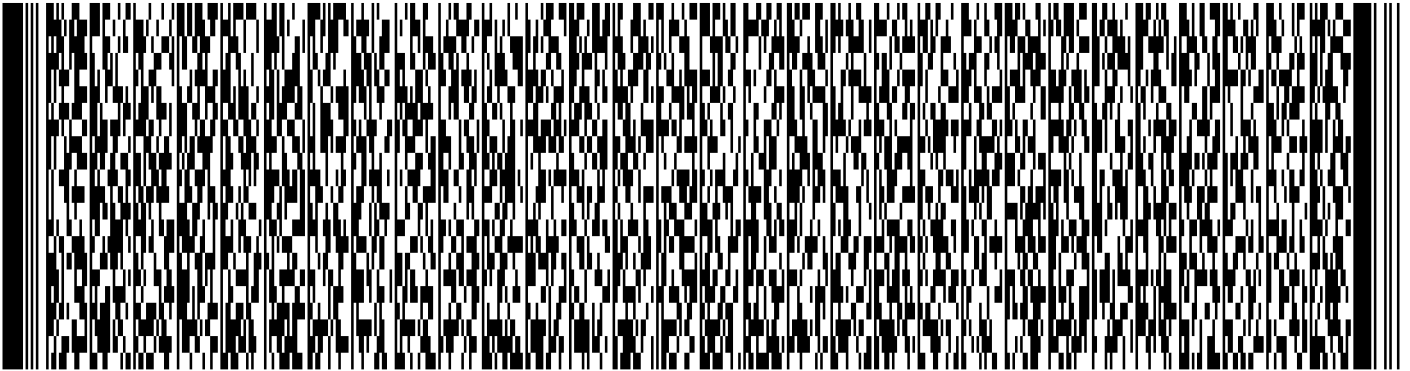
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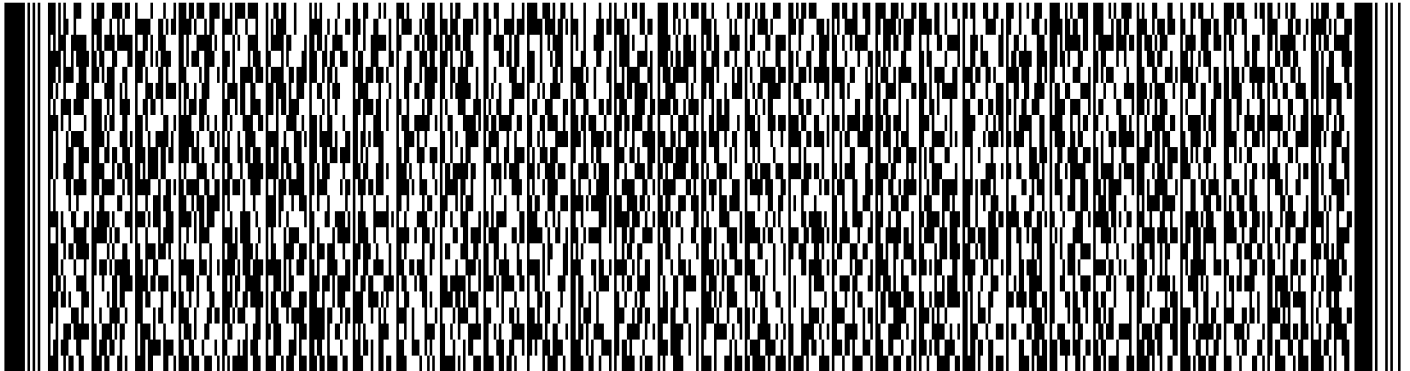
Case No. 23-90776



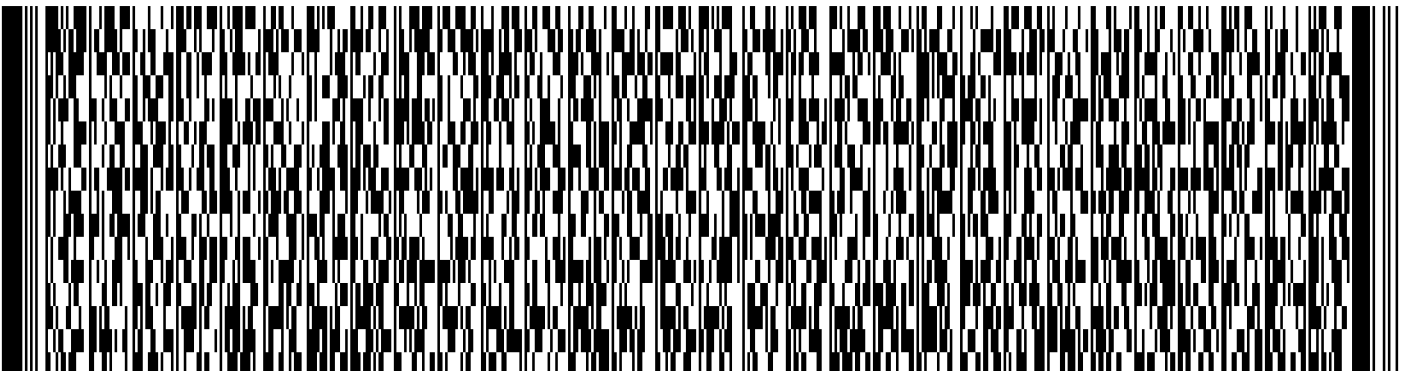
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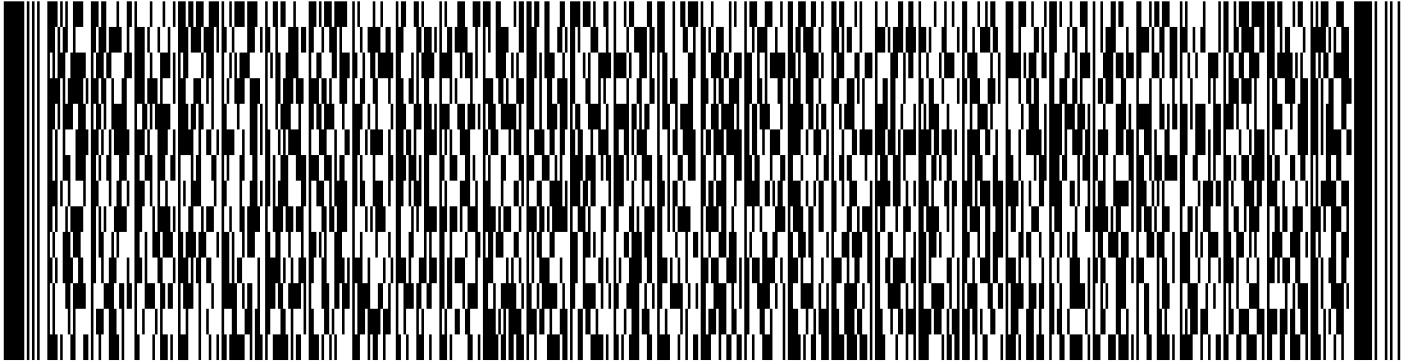
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Debtor's Name Heavy Metal, Inc.

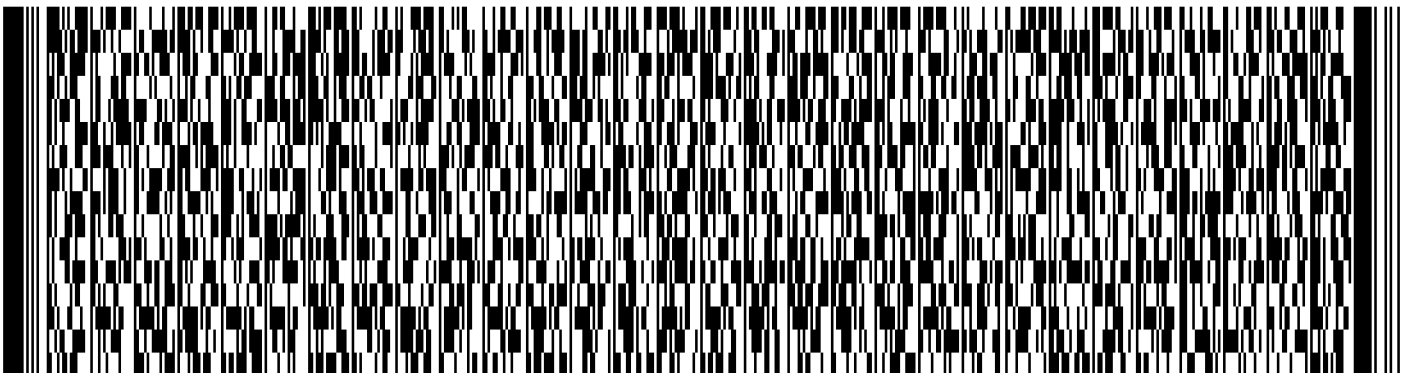
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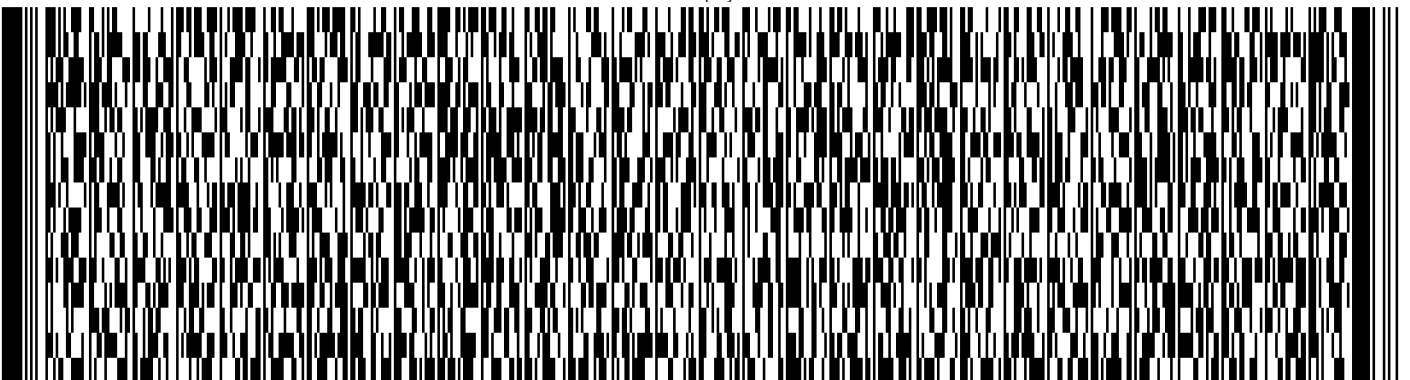
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Bankruptcy51to100



NonBankruptcy1to50



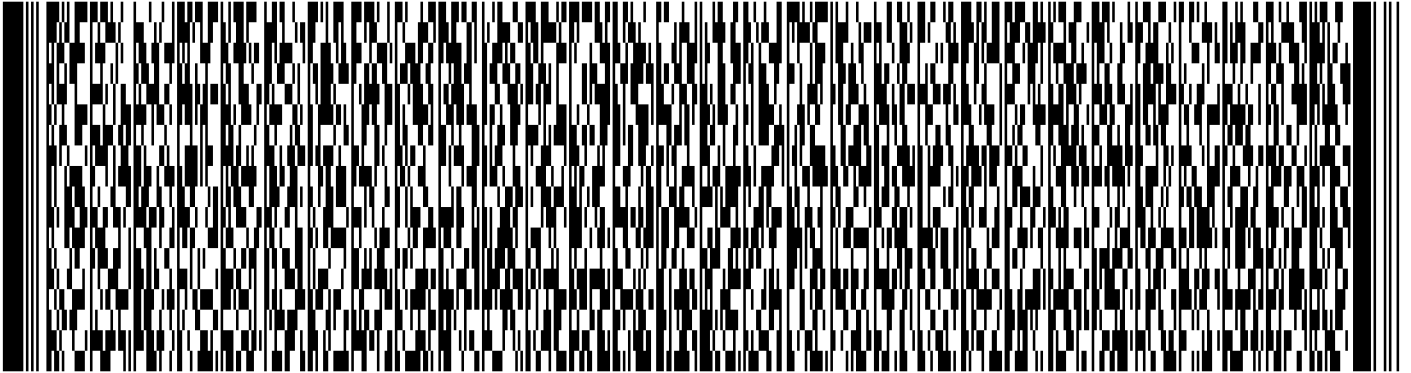
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Debtor's Name Heavy Metal, Inc.

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Monthly Operating Report
For the Period of:
December 1, 2024 through December 31, 2024
Disclaimers Regarding the Debtors' Monthly Operating Reports

On September 11, 2023 (the “**Petition Date**”), Noble House Home Furnishings LLC (“**NHHF**”), along with its co-debtors Best Selling Home Decor Furniture, LLC, Le Pouf, LLC, NH Services LLC, and Heavy Metal, Inc. (collectively, the “**Debtors**”) each filed a voluntary petition for relief under Chapter 11 of Title 11 of the United States Code (the “**Bankruptcy Code**”) in the United States Bankruptcy Court for the Southern District of Texas Houston Division (the “**Bankruptcy Court**”). The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1 for the Bankruptcy Court under the caption Noble House Home Furnishings LLC, *et al.*, Case No. 23-90773 (CML) (Bankr. S.D. Tex.), pursuant to an order entered by the Bankruptcy Court on September 12, 2023 [Docket No. 2].

The following notes should be referred to, and referenced in connection with, the review of each of the Debtors’ Monthly Operating Reports.

1. **Basis of Presentation.** The Debtors are filing their MOR solely for the purpose of complying with the monthly operating requirements applicable in the Debtors’ chapter 11 cases. The MOR is in a format acceptable to the U.S. Trustee for the Southern District of Texas Houston Division (the “**U.S. Trustee**”). The MOR should not be relied upon by any persons for information relating to current or future financial conditions, events, or performance of any of the Debtors or their affiliates.

In preparing the MOR, the Debtors relied on financial data derived from their books and records that was available at the time of preparation. Subsequent information or discovery may result in material changes to the MOR and errors or omissions may exist. Notwithstanding any such discovery, new information, or errors or omissions, the Debtors do not undertake any obligation or commitment to update the MOR.

This MOR has not been prepared in accordance with accounting principles generally accepted in the United States of America (“**U.S. GAAP**”) and does not include all the information and footnotes required by U.S. GAAP. Therefore, there can be no assurance that the financial information presented herein is complete, and readers are strongly cautioned not to place undue reliance on the MOR.

Furthermore, the monthly financial information contained herein has not been subjected to the same level of accounting review and testing that the Debtors apply in the preparation of their annual consolidated financial information in accordance with U.S. GAAP. Accordingly, upon the application of such procedures, the Debtors believe that the financial information may be subject to change, and these changes could be material.

In future periods, any changes to prior period balances will be reflected in the current month’s MOR.

The results of operations contained herein are not necessarily indicative of results that may be expected from any other period or for the full year and may not necessarily reflect the consolidated results of operations and financial position of the Debtors in the future.

2. **Reporting Period.** Unless otherwise noted herein, the MOR generally reflects the Debtors' books and records and financial activity occurring during the applicable reporting period (December 1, 2024 – December 31, 2024, the “**Reporting Period**”). Except as otherwise noted, no adjustments have been made to activity occurring after the close of the Reporting Period.
3. **Consolidated Entity Accounts Payable and Disbursements Systems.** Cash is received and disbursed by the Debtors as described in the *Debtors' Emergency Motion for Entry of Interim and Final Orders (I) Authorizing Maintenance of Existing Bank Accounts; (II) Authorizing Continuance of Existing Cash Management System; (III) Granting Limited Waiver of Section 345(b) Deposit Requirements; (IV) Authorizing Continued Performance of Intercompany Transactions and Fundings; and (V) Granting Related Relief* [Docket No. 7] (the “**Cash Management Motion**”) to the extent approved in the order granting the relief requested in the Cash Management Motion on an interim basis [Docket No. 43] (the “**Interim Cash Management Order**”).
4. **Accuracy.** The financial information disclosed herein was not prepared in accordance with federal or state securities laws or other applicable non-bankruptcy law or in lieu of complying with any periodic reporting requirements thereunder. Persons and entities trading in or otherwise purchasing, selling, or transferring the claims against or equity interests in the Debtors should evaluate this financial information in light of the purposes for which it was prepared. The Debtors are not liable for and undertake no responsibility to indicate variations from securities laws or for any evaluations of the Debtors based on this financial information or any other information.
5. **Payment of Pre-Petition Claims Pursuant to First Day Orders.** The Bankruptcy Court has entered orders authorizing, but not directing, the Debtors to pay, among other things, certain pre-petition (a) employee wages, salaries and other compensation and benefits [Docket No. 42]; (b) obligations related to the use of the Debtors' cash management system [Docket No. 43 (interim relief)]; (c) insurance premiums and related obligations [Docket No. 46]; (d) taxes and related obligations [Docket No. 48]; (e) obligations of shippers, warehousemen, other lien claimants [Docket No. 44], and (f) obligations under existing customer programs [Docket No. 45] (collectively, the “**First Day Orders**”). To the extent any payments were made on account of such claims or obligations following the commencement of these chapter 11 cases pursuant to the authority granted to the Debtors by the Bankruptcy Court under the First Day Orders, such payments have been included in the MOR unless otherwise noted.
6. **Liabilities Subject to Compromise.** Certain prepetition liabilities will be reclassified and collated as a liability subject to compromise based on the accounting impact of ASC 852, Reorganizations, effective from the Petition Date. These reclassifications will be made based on the reconciliation and adjudication of claims, determinations of the secured status of certain claims, the value of any collateral securing such claims, rejection of executory contracts, or other events.

7. **Insiders.** For purposes of the MOR, the Debtors define “insiders” pursuant to section 101(31) of the Bankruptcy Code as: (a) officers that are either (i) Section 16-related officers or (ii) select leaders with effective authority of each Debtor entity; (b) directors; (c) persons in control of the Debtors; (d) relatives of the Debtors’ directors, officers (as defined herein), or persons in control of the Debtors; and (e) Debtor/non-Debtor affiliates of the foregoing. Moreover, the Debtors do not take any position with respect to: (a) any insider’s influence over the control of the Debtors; (b) the management responsibilities or functions of any such insider; (c) the decision making or corporate authority of any such insider; or (d) whether the Debtors or any such insider could successfully argue that he or she is not an “insider” under applicable law or with respect to any theories of liability or for any other purpose. The listing of a party as an “insider” is not intended to be nor should it be construed as a legal characterization of such party as an insider and does not act as an admission of any fact, Claim, right, or defense, and all such rights, Claims, and defenses are hereby expressly reserved.
8. **Sale of Substantially All Assets.** On October 25, 2023, the Court entered an order [Docket No. 190], which was amended on October 27, 2023 at Docket No. 199 (as amended, the “**Sale Order**”). The Sale Order, *inter alia*, authorized the sale of substantially all of the Debtors’ assets (the “**Sale**”) to GigaCloud Technology Inc. or its assignee or nominee (the “**Buyer**”). The Sale closed on October 31, 2023.
9. **Motion to Dismiss or Convert.** On March 28, 2024, the Debtors filed a motion [Docket No. 367] (the “**Motion to Dismiss or Convert**”), seeking, *inter alia*, to dismiss the Debtors’ Chapter 11 Cases, or alternatively dismiss the Debtors’ Chapter 11 Cases to cases under Chapter 7 of the Bankruptcy Code, and to establish certain procedures in connection therewith. At a hearing on April 29, 2024, the Debtors announced an intention to continue the Motion to Dismiss or Convert until a date to be determined, and at a status conference held on November 12, 2024, the Debtors reiterated their intentions to dismiss these chapter 11 cases at a later date.
10. **Reservation of Rights.** The Debtors reserve all rights to amend or supplement the MOR in all respects, as may be necessary or appropriate. Nothing contained in this MOR shall constitute a waiver of any of the Debtors’ rights or an admission with respect to their chapter 11 cases.

11. Specific MOR Disclosures (Heavy Metal, Inc.).

- a. **Notes to Part 1: Cash Receipts and Disbursements:** Not applicable.
- b. **Notes to Part 2: Asset and Liability Status:** Heavy Metal, Inc. is a holding company with no material assets other than its equity interest in NHHF or operating debt.
- c. **Notes to Part 3: Assets Sold or Transferred:** Not applicable, however the Sale closed on October 31, 2023, as set forth above.
- d. **Notes to Part 4: Income Statement (Statement of Operations):** Heavy Metal, Inc. is a holding company with no accounting activity recorded during this Reporting Period.
- e. **Notes to Part 5: Professional Fees and Expenses:** Not applicable. Professional fees and expenses are paid through NHHF.

- f. **Note to Part 6: Post-Petition Taxes:** Not applicable.
- g. **Note to Part 7a, 7d and 7e: Post-Petition Taxes:** Not applicable.
- h. **Note to Part 7i Insurance:** The Debtor cancelled most of its insurance policies as it no longer has any employees, assets or facilities.

12. Specific MOR Disclosures (Noble House Home Furnishings LLC).

- a. **Notes to Part 1: Cash Receipts and Disbursements:** Balances shown on MOR Part 1 are taken from NHHF's cash reconciliation files as of end of day December 31, 2024.
 - i. Per the cash management motion, certain entities are funded through intercompany mechanisms, reflecting Debtor to Debtor fund flows. Figures shown in Part 1 of the MOR net intercompany transfers for the purpose of calculating U.S. Trustee quarterly fee amounts.
 - ii. The December 31, 2024 cash balance includes the receipt of \$124,380 from Noble House Home Furnishings UK Limited, a non-Debtor entity, as a result of a Members Voluntary Liquidation of the UK entity.
 - iii. For the purposes of calculating U.S. Trustee fees, amounts shown on the MOR exclude intercompany transfers, resulting in cash disbursements for the Reporting Period of \$410,313.
- b. **Notes to Part 2: Asset and Liability Status:** Asset information shown on part 2 of the report is sourced from unaudited financial statements for NHHF as of December 31, 2024 that have not been prepared in compliance with GAAP. Post-petition payables information has been sourced from the December 31, 2024 Accounts Payable aging schedule.
 - i. The Estate's bank balances at the end of the month no longer include legacy collection accounts as these accounts were closed and the estate no longer collects money on behalf of the Buyer.
 - ii. The changes to long-term intercompany debt are due to the fact that all assets were sold as part of a single transaction.
 - iii. Due to reductions in accounting staff, there are additional closing entries that may be made.
- c. **Notes to Part 3: Assets Sold or Transferred:** The Sale closed on October 31, 2023 as set forth above.
- d. **Notes to Part 4: Income Statement (Statement of Operations):** Income statement amounts have been sourced from unaudited financial statements for NHHF for the Reporting Period and have not been prepared in compliance with GAAP.

- e. **Notes to Part 5: Professional Fees and Expenses:** Professional fees and expenses in the amount of \$349,334 were paid during the Reporting Period from the estate operating account.
- f. **Note to Part 7i Insurance:** The Debtor cancelled most of its insurance policies as it no longer has any employees, assets or facilities.

13. Specific MOR Disclosures (Best Selling Home Decor Furniture, LLC)

- a. **Notes to Part 1: Cash Receipts and Disbursements:** Not applicable.
- b. **Notes to Part 2: Asset and Liability Status:** Not applicable.
- c. **Notes to Part 3: Assets Sold or Transferred:** The Sale closed on October 31, 2023, as set forth above.
- d. **Notes to Part 4: Income Statement (Statement of Operations):** Not applicable.
- e. **Notes to Part 5: Professional Fees and Expenses:** Not applicable. Professional fees and expenses are paid through NHHF.
- f. **Note to Part 6: Post-Petition Taxes:** Not applicable.
- g. **Note to Part 7d and 7e: Post-Petition Taxes:** Not applicable.
- h. **Note to Part 7i Insurance:** The Debtor cancelled most of its insurance policies as it no longer has any employees, assets or facilities.

14. Specific MOR Disclosures (Le Pouf, LLC)

- a. **Notes to Part 1: Cash Receipts and Disbursements:** Balances shown on MOR Part 1 are pulled from Le Pouf, LLC cash reconciliation files as of end of day on December 31, 2024.
 - i. Per the cash management motion, certain entities are funded through intercompany mechanisms, reflecting Debtor to Debtor fund flows. Figures shown in Part 1 of the MOR net intercompany transfers for the purpose of calculating U.S. Trustee quarterly fee amounts.
 - ii. For the purposes of calculating U.S. Trustee fees, amounts shown on the MOR exclude intercompany transfers, resulting in cash disbursements for the Reporting Period of \$0.00.
- b. **Notes to Part 2: Asset and Liability Status:** Asset information shown on part 2 of the report is primarily sourced from unaudited financial statements for Le Pouf, LLC as of December 31, 2024, that have not been prepared in compliance with GAAP. Post-petition payables information has been sourced from the December 31, 2024, Accounts Payable aging schedule.

- c. **Notes to Part 3: Assets Sold or Transferred:** The Sale closed on October 31, 2023, as set forth above. All assets were sold as part of a single transaction and as such are represented on the books of NHHF.
- d. **Notes to Part 4: Income Statement (Statement of Operations):** Income statement amounts have been sourced from unaudited financial statements for Le Pouf, LLC for the Reporting Period and have not been prepared in compliance with GAAP.
- e. **Notes to Part 5: Professional Fees and Expenses:** Not applicable. Professional fees and expenses are paid through NHHF.
- f. **Note to Part 6: Post-Petition Taxes:** No payments were made during the Reporting Period.
- g. **Note to Part 7a, 7d and 7e: Post-Petition Taxes:** No payments were made during the Reporting Period.
- h. **Note to Part 7i Insurance:** The Debtor cancelled most of its insurance policies as it no longer has any employees, assets or facilities.

15. Specific MOR Disclosures (NH Services LLC)

- a. **Notes to Part 1: Cash Receipts and Disbursements:** Balances shown on MOR Part 1 are pulled from NH Services LLC's cash reconciliation files as of end of day December 31, 2024.
 - i. Per the cash management motion, certain entities are funded through intercompany mechanisms, reflecting Debtor to Debtor fund flows. Figures shown in Part 1 of the MOR net intercompany transfers for the purpose of calculating U.S. Trustee quarterly fee amounts.
 - ii. For the purposes of calculating U.S. Trustee Fees, amounts shown on the MOR exclude intercompany transfers, resulting in cash disbursements for the Reporting Period of \$0.00.
- b. **Notes to Part 2: Asset and Liability Status:** Asset information shown on part 2 of the report is primarily sourced from unaudited financial statements for NH Services LLC as of December 31, 2024, that have not been prepared in compliance with GAAP. Post-petition payables information has been sourced from the December 31, 2024, Accounts Payable aging schedule.
- c. **Notes to Part 3: Assets Sold or Transferred:** The Sale closed on October 31, 2023, as set forth above. All assets were sold as part of a single transaction and as such are represented on the books of NHHF.
- d. **Notes to Part 4: Income Statement (Statement of Operations):** Income statement amounts have been sourced from unaudited financial statements for NH Services LLC for the Reporting Period and have not been prepared in compliance with GAAP.

- e. **Notes to Part 5: Professional Fees and Expenses:** Not applicable. Professional fees and expenses are paid through NHHF.
- f. **Note to Part 6: Post-Petition Taxes:** No payments were made during the Reporting Period.
- g. **Note to Part 7a Payments on Pre-Petition Debt:** No payments were made during the Reporting Period.
- h. **Note to Part 7d and 7e: Post-Petition Taxes:** No payments were made during the Reporting Period.
- i. **Note to Part 7i Insurance:** The Debtor cancelled most of its insurance policies as it no longer has any employees, assets or facilities.

**UNITED STATES BANKRUPTCY COURT
FOR THE Texas - Southern District**

**In re: Noble House Home Furnishings LLC
Debtor**

**Lead Case No. 23-90773
Reporting Period: December 2024**

MONTHLY OPERATING REPORT

Contents:

General Notes

1. Schedule Of Cash Receipts And Disbursements
2. Balance Sheet (Unaudited)
3. Statement Of Operations (Unaudited)
4. Bank Accounts

**UNITED STATES BANKRUPTCY COURT
FOR THE Texas - Southern District**

**In re: Noble House Home Furnishings LLC
Debtor**

**Lead Case No. 23-90773
Reporting Period: December 2024**

GENERAL NOTES

The Monthly Operating Report includes the activity for the following Debtors:

Debtor	Case Number
Noble House Home Furnishings LLC	23-90773
Le Pouf, LLC	23-90772
Best Selling Home Decor Furniture, LLC	23-90774
NH Services LLC	23-90775
Heavy Metal, Inc.	23-90776

General Notes

See attached Disclaimers Regarding the Debtors' Monthly Operating Reports

Negative cash reflected on NHS balance sheet is due to time of checks issued vs intercompany transfers

Due to reductions in accounting staff there are still adjustments to be entered.

In re: Noble House Home Furnishings LLC
Debtor

Lead Case No. 23-90773
Reporting Period: December 2024

PART 1
SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS
\$ Amounts are Actual

Debtor name:	Noble House Home Furnishings LLC					Current Period	
	Le Pouf, LLC					Total	
Case number:	23-90773	23-90772	23-90774	23-90775	23-90776		
Cash - Start of Month	1,829,422	39,985	-	-	-	1,869,407	
Receipts							
Collections	-	-	-	-	-	-	
Collections Other	5,033	-	-	-	-	5,033	
Inadvertent Sweep-Return	-	-	-	-	-	-	
Intercompany	-	-	-	-	-	-	
TSA Reimbursements	-	-	-	-	-	-	
	-	-	-	-	-	-	
Total Receipts	5,033	-	-	-	-	5,033	
Disbursements							
Operating Disbursements							
Inventory	-	-	-	-	-	-	
Ocean Freight	-	-	-	-	-	-	
Tariff and Duty	-	-	-	-	-	-	
Inbound Logistics	-	-	-	-	-	-	
Other COGS	-	-	-	-	-	-	
Payroll	-	-	-	-	-	-	
Benefits	-	-	-	-	-	-	
Other Temp Labor	-	-	-	-	-	-	
Warehouse Labor	-	-	-	-	-	-	
Freight Out	-	-	-	-	-	-	
Marketing	-	-	-	-	-	-	
Commissions	-	-	-	-	-	-	
Facility Rent	-	-	-	-	-	-	
3PL	-	-	-	-	-	-	
Warehouse Maintenance & Equipment	-	-	-	-	-	-	
Warehouse Supplies	-	-	-	-	-	-	
Utilities	-	-	-	-	-	-	
Other Operating Disbursements							
Returns/Refunds	-	-	-	-	-	-	
Office Expense	-	-	-	-	-	-	
Information Technology	-	-	-	-	-	-	
Business Tax & Fees:State/Local Tax & Fees	1,372	-	-	-	-	1,372	
Insurance	50,018	-	-	-	-	50,018	
Board Fees	7,500	-	-	-	-	7,500	
Professional Fees	1,105	-	-	-	-	1,105	
Non Operating Disbursements							
Equipment Loan & Interest	-	-	-	-	-	-	
Interest Expense	-	-	-	-	-	-	
DIP Payments	-	-	-	-	-	-	
Bank Service Fees	884	-	-	-	-	884	
Restructuring Related Costs							
Canadian Proceeding	-	-	-	-	-	-	
Utilities Deposit	-	-	-	-	-	-	
Warn payments	-	-	-	-	-	-	
503b(9) Claims	-	-	-	-	-	-	
Professional Fees - Debtor/Escrow Account	349,334	-	-	-	-	349,334	
Professional Fees - Lender	-	-	-	-	-	-	
Professional Fees - UCC/ Escrow Account	-	-	-	-	-	-	
Retention - Estimate	-	-	-	-	-	-	
DIP Fee	-	-	-	-	-	-	
Temp Labor Settlement	-	-	-	-	-	-	
Winddown Expenses	-	-	-	-	-	-	
US Trustee	-	-	-	-	-	-	
Other							
GigaCloud Transfer to Canada	-	-	-	-	-	-	
Transaction Proceeds	-	-	-	-	-	-	
Intercompany, net	-	-	-	-	-	-	
Return of Deposit GigaCloud Tech	-	-	-	-	-	-	
Total Disbursements	410,213	-	-	-	-	410,213	
Net Cash Flow	(405,180)	-	-	-	-	(405,180)	
Plus: Reconciling Items, including non debto	-	-	-	-	-	-	
Cash - End of Month **	\$ 1,424,242	\$ 39,985	\$ -	\$ -	\$ -	\$ 1,464,227	

In re: Noble House Home Furnishings LLC
Debtor

Lead Case No. 23-90773
Reporting Period: December 2024

PART 2
BALANCE SHEET (UNAUDITED)
\$ Amounts are Actual

Debtor name:	Noble House Home Furnishings LLC	Le Pouf, LLC	Best Selling Home Decor Furniture, LLC	NH Services LLC	Heavy Metal, Inc.	Total
Case number:	23-90773	23-90772	23-90774	23-90775	23-90776	
Line item	Current period	Current period	Current period	Current period	Current period	Current period
Assets						
Current assets:						
Cash and cash equivalents	1,424,242	39,985	-	(780)	-	1,463,447
Accounts and notes receivable, net	-	-	-	-	-	-
Inventories, net	-	-	-	-	-	-
Prepaid expenses and other current assets	2,669,270	-	-	22,590	-	2,691,860
Other Receivables	-	-	-	-	-	-
Short term interco	-	-	-	-	-	-
Total current assets	4,093,512	39,985	-	21,810	-	4,155,307
Property, plant and equipment, net	-	-	-	-	-	-
Operating lease assets	-	-	-	-	-	-
Intangible assets, net	-	-	-	-	-	-
Deferred Income tax assets	-	-	-	-	-	-
Other noncurrent assets	1,395,727	-	-	-	-	1,395,727
Investment in subsidiaries	-	-	-	-	-	-
Long term interco	33,683,456	8,078,800	-	2,696,827	3,105	44,462,187
Total assets	39,172,695	8,118,785	-	2,718,636	3,105	50,013,220
Liabilities:						
<u>Current liabilities not subject to compromise:</u>						
Trade accounts payable	66,960	-	-	742	-	67,702
Total current liabilities not subject to compromise	66,960	-	-	742	-	67,702
<u>Current liabilities subject to compromise:</u>						
Short-term debt	-	-	-	-	-	-
Current portion of operating lease liability	-	-	-	-	-	-
Trade accounts payable	58,784,318	695,953	-	655,874	27,935	60,164,080
Income Taxes Payable	-	-	-	-	-	-
Accrued Taxes	-	15,269	-	-	-	-
Short term interco	-	846	-	846	857	2,549
Current portion of Long Term Debt	-	-	-	-	-	-
Other accrued expenses	1,626,249	4,253	-	2,097	-	1,632,599
Total current liabilities subject to compromise	60,410,566	716,322	-	658,818	28,792	61,799,228
<u>Long-term liabilities subject to compromise:</u>						
Long-term debt, net of unamortized debt issuance costs	-	-	-	-	-	-
Noncurrent operating lease liabilities	-	-	-	-	-	-
Postretirement benefit liabilities	-	-	-	-	-	-
Long Term Interco	12,266,417	2,565,661	-	45,149	178,484	15,055,710
Deferred income tax liabilities	-	-	-	-	-	-
Other long-term liabilities	-	-	-	-	-	-
Total long-term liabilities subject to compromise	12,266,417	2,565,661	-	45,149	178,484	15,055,710
Total liabilities not subject to compromise	66,960	-	-	742	-	67,702
Total liabilities subject to compromise	72,676,983	3,281,982	-	703,967	207,275	76,870,208
Total liabilities	72,743,943	3,281,982	-	704,709	207,275	76,937,910
Shareholders' equity:						
Members' capital	4,777,466	-	-	30,502	-	4,807,968
Retained earnings	17,968,386	8,420,335	-	1,255,061	(5,188)	27,638,594
Accumulated other comprehensive income (loss)	(56,317,100)	(3,582,686)	-	729,211	(198,126)	(59,368,702)
Total shareholders' equity	(33,571,248)	4,837,649	-	2,014,774	(203,314)	(26,922,140)
Total liabilities and shareholders' equity	39,172,695	8,119,631	-	2,719,482	3,961	50,015,770

In re: Noble House Home Furnishings LLC
Debtor

Lead Case No. 23-90773
Reporting Period: December 2024

PART 4
STATEMENT OF OPERATIONS (UNAUDITED)
\$ Amounts are Actual

Debtor name:	Noble House Home Furnishings LLC	Le Pouf, LLC	Best Selling Home Decor Furniture, LLC	NH Services LLC	Heavy Metal, Inc.	Total
Case number:	23-90773	23-90772	23-90774	23-90775	23-90776	
Line item	Current period	Current period	Current period	Current period	Current period	Current period
Net sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of goods sold	-	-	-	-	-	-
Gross profit	-	-	-	-	-	-
Selling Expense		-	-	-	-	
General and administrative expenses	4,723	-	-	-	-	4,723
Depreciation & Amortization	-	-	-	-	-	-
Operating income (loss)	(4,723)	-	-	-	-	(4,723)
Interest expense	-	-	-	-	-	-
Debt amendment fees	-	-	-	-	-	-
Other income (expense), net	-	-	-	-	-	-
Gain (loss) on settlements and asset sales	-	-	-	-	-	-
Earnings (loss) before income taxes	(4,723)	-	-	-	-	(4,723)
Bankruptcy reorganization expense	459,647	-	-	-	-	459,647
Earnings (loss) before income taxes, after reorganization expenses	(464,370)	-	-	-	-	(464,370)
Income tax expense (benefit)	-	-	-	-	-	-
Net earnings (loss)	\$ (464,370)	\$ -	\$ -	\$ -	\$ -	\$ (464,370)

In re: Noble House Home Furnishings LLC
Debtor

Lead Case No. 23-90773
Reporting Period: December 2024

BANK ACCOUNTS

\$ Amounts are Actual

Debtor name	Bank name	Account type	Account number (last four digits)	Period-end bank balance (USD)
Noble House Home Furnishings LLC	Wells Fargo	Collections	7326	0.00
	Wells Fargo	Collections	7334	0.00
	Wells Fargo	Controlled Disbursements	4085	0.00
	Wells Fargo	Master Operating Account	7342	1,424,241.90
	Pacific West	Operating	4989	0.00
	Pacific West	Operating	5214	0.00
Le Pouf, LLC	Wells Fargo	Collections	7234	0.00
	Wells Fargo	Controlled Disbursements	3095	0.00
	Chase	Operating Account	3825	39,985.00
NH Services LLC	Wells Fargo	Controlled Disbursements	5058	0.00
Heavy Metal, Inc.	Pacific West	Operating	0175	0.00
TOTAL BANK BALANCE				1,464,226.90